

FEDERAL MARITIME COMMISSION

46 CFR PART 588

[DOCKET NO. 87-11]

ACTIONS TO ADJUST OR MEET CONDITIONS
UNFAVORABLE TO SHIPPING IN THE
UNITED STATES/COLOMBIA TRADE

AGENCY: Federal Maritime Commission.

ACTION: Notice of Discontinuance.

SUMMARY: The Federal Maritime Commission discontinues this proceeding and withdraws proposed rule.

DATE: This action is effective upon publication in the Federal Register.

FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION:

By a "Notice of Proposed Rulemaking" ("Proposed Rule") published on May 29, 1987 (52 FR 20119), the Commission instituted this proceeding under section 19(1)(b) of the Merchant Marine Act, 1920, 46 U.S.C. app. 876, in response to a petition filed by O.N.E. Shipping, Ltd. ("O.N.E."), Petition of O.N.E. Shipping, Ltd. for Issuance of Regulations to Adjust and Meet Conditions Unfavorable to Shipping in the Foreign Trade of the United States, and a subsequent amended petition, Amendment to Petition of O.N.E. Shipping, Ltd. for Relief Under Section 19 of the Merchant Marine Act, 1920. The petitions alleged that the cargo

preference laws of the Government of Colombia had damaged O.N.E.'s financial position by excluding O.N.E. from the U.S./Colombia liquid bulk trade.

The Proposed Rule would suspend the tariffs of Flota Mercante Grancolombiana, a Colombian-flag carrier, in the United States/Colombia trade unless authorized status is obtained from the Commission. The effect of the Proposed Rule would be to adjust or meet any unfavorable conditions by imposing burdens on a Colombian-flag carrier equal to those imposed on O.N.E. by Colombian laws and regulations. Interested persons were invited to submit comments on the Proposed Rule no later than July 24, 1987.

By letter dated July 17, 1987, O.N.E. has now withdrawn its petitions and requested the Commission to discontinue this proceeding. O.N.E. indicates that the Government of Colombia has assured it and the United States Government

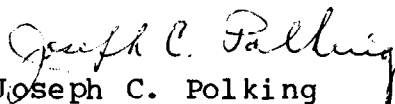
that O.N.E. will be provided free access to the unreserved portion of the United States-Colombia liquid bulk trade, and that O.N.E. will be free to participate on the same terms and conditions as all other carriers, including Colombian-flag carriers and their associated carriers in the carriage of the unreserved cargoes.

Further, O.N.E. advises that the Government of Colombia made a commitment to work with O.N.E. "in order to eliminate any ambiguities in Colombian regulations which would prevent or hinder implementation of the assurances described above." Finally, O.N.E. requests that the time period for commenting on the Proposed Rule be suspended pending Commission disposition of this matter.

Given the Colombian Government's assurances to O.N.E. which led to O.N.E.'s stated withdrawal of its petitions and the fact that the Commission based its Proposed Rule and remedies therein on these petitions, there does not appear to be any need for further action on those petitions or the imposition of sanctions at this time. The Commission therefore shall discontinue this proceeding and withdraw its Proposed Rule.

This action is taken without prejudice to the Commission instituting a new proceeding under Section 19 should conditions in the United States/Colombia trade warrant.

THEREFORE, IT IS ORDERED, That this proceeding is discontinued and the Proposed Rule withdrawn.
By the Commission.


Joseph C. Polking
Secretary